

BEFORE THE FEDERAL ELECTION COMMISSION
ENFORCEMENT PRIORITY SYSTEM
DISMISSAL REPORT

MUR: 7483

Respondents: Leonard for Minnesota
and John Leonard Mason,
as treasurer (the "Committee")¹

Complaint Receipt Date: August 20, 2018

Response Date: September 25, 2018

EPS Rating:

Alleged Statutory

52 U.S.C. § 30104(b)(8);

Regulatory Violations:

11 C.F.R. §§ 104.3(d), 104.11(a)-(b), 116.10(a)

The Complaint alleges that the Committee failed to report debts in its 2018 April and July Quarterly Reports for graphic design services provided by Complainant's company from February through April 2018.² Respondents state that the Committee has reported the disputed debt between the parties.³ Respondents also assert that the Committee had not raised or spent more than \$5,000 in contributions or expenditures in the first two quarters of 2018 and, therefore, was not required to file reports with the FEC, and equally did not have an obligation to report the alleged debts.⁴

Based on its experience and expertise, the Commission has established an Enforcement Priority System using formal, pre-determined scoring criteria to allocate agency resources and

¹ In 2018, Nick Leonard was a candidate for U.S. Senate from Minnesota. He lost in the August 14, 2018, primary election with 2.9% of the vote.

² Compl. at 1 (August 20, 2018). An attachment to the Complaint, which summarizes Schedule D of the Committee's July Quarterly report, appears to reflect a payment to BTB Brand for \$3,457.96. See Compl. Attach. at 11 (Schedule D, showing payment to "BTB," which we believe meant to refer to BTB). The attachments also include an email from the Complainant to the candidate stating she did not receive this payment. See Compl. Attach. at 10.

³ Resp. at 1 (September 25, 2018). The Committee reports the amount in dispute on Schedule D of its 2018 July Quarterly Report. See Leonard for Minnesota 2018 July Quarterly Report at 8 (filed on July 18, 2018), available at <http://docquery.fec.gov/pdf/957/201807250200660957/201807250200660957.pdf>

⁴ The Committee's 2018 July Quarterly Report reports \$2,775 in contributions, \$2,499.96 in expenditures, and \$275 in cash on hand. See Leonard for Minnesota 2018 July Quarterly Report at 2-4.

assess whether particular matters warrant further administrative enforcement proceedings. These criteria include (1) the gravity of the alleged violation, taking into account both the type of activity and the amount in violation; (2) the apparent impact the alleged violation may have had on the electoral process; (3) the complexity of the legal issues raised in the matter; and (4) recent trends in potential violations and other developments in the law. This matter is rated as low priority for Commission action after application of these pre-established criteria. Given that low rating and the fact that the Committee reported the debt as disputed,⁵ we recommend that the Commission dismiss the Complaint consistent with the Commission's prosecutorial discretion to determine the proper ordering of its priorities and use of agency resources.⁶ We also recommend that the Commission close the file as to all the respondents and send the appropriate letters.

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4/18/19
Date

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⁵ The amount of alleged debt in this matter does not reach a referral threshold for either the Office of General Counsel or the Office of Alternative Dispute Resolution. See 2017-2018 RAD Review and Referral Procedures (Standard 7).

⁶ Heckler v. Chaney, 470 U.S. 821, 831-32 (1985).